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PREPARED STATEMENT OF

THE HONORABLE

GEORGE P. SHULTZ

SECRETARY OF STATE

BEFORE THE

SENATE FOREIGN RELATIONS COMMITTEE

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U.S. assistance to the Nicaraguan democratic resistance is an essential element in our efforts to defend Central America from aggression, to preserve recent democratic gains and to improve prospects for renewed economic growth and equitable development. It is an important stimulus to a diplomatic solution to the Central American conflict. It contributes to our defense against Soviet and Cuban military intervention in this hemisphere. Finally, it can help to restore to the Nicaraguan people their right to self-determination denied by a minority that seeks to perpetuate itself in power by force of arms and totalitarian controls.

In short, the assistance the President requested on February 25 is needed. It is legally, morally and strategically justified. And it can make a vital difference to the emergence of a democratic outcome in Nicaragua and throughout Central America.

I. WHAT IS THE PROBLEM?

In talking with foreign leaders and members of Congress, I find that just about everyone agrees on what the problem is. It is that a democratic revolution has been betrayed by a violent minority willing and even eager to serve as an instrument of Soviet and Cuban strategic designs on the hemisphere, including armed aggression in the form of support for terrorism and subversion.

In 1979, Nicaraguan democrats and their sympathizers throughout the world believed that the end of the Somoza regime marked a new beginning for Nicaragua. Nicaraguans learned very quickly, however, that instead of democracy, they had fallen prey to what the Sandinistas say is "revolution by vanguard" and what the rest of us know is communist totalitarianism. Behind the smokescreen created by the popularity of the overthrow of Somoza was imposed a new dictatorship that threatens the security of their neighbors.

A. Intervention

One of the most striking characteristics of Sandinista Communism is its messianic impulse to violence. As Congress has repeatedly and formally found, Nicaragua has since 1980 been engaged in unlawful intervention, serving as the staging ground for arms shipments to guerrillas in El Salvador. Because so much attention has been focussed on this arms flow to El Salvador, which has been sustained and occasionally massive, it is less widely known that at one point or another Sandinista intervention has touched virtually the entire hemisphere.

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Chart I depicts the breadth of Nicaragua's interventionist activities. (It also makes clear, incidentally, that the
Nicaraguan Communists are perfectly serious when they refer to
their policy as one of "internationalism".) The map identifies
the countries where the current Nicaraguan government has tried
to export violence, by shipping arms, training guerrillas, or
providing the kinds of support necessary for terrorist
operations. Managua has become a gathering place for
terrorists from all over the world, including Europe and the
Middle East as well as Latin America.

Two aspects of this pattern of intervention are worth emphasizing.

First, the intervention is strongest against Nicaragua's immediate neighbors, but it is not limited to Central America.

Second, the pattern is politically indiscriminate. Violence and subversion has been directed against democracies and even against Contadora countries as well as against dictatorships and more traditional military regimes.

B. Militarization

The Sandinistas like to portray themselves as nationalists, but their soldiers are trained and supported in combat by thousands of Cubans and other foreigners known as "internationalists." And this is why, despite its limited size and resources, Nicaragua is able to intervene so widely in the hemisphere: It has been armed by the Soviet Union and is manned by Cubans in key sectors from training and weapons use to intelligence and counterintelligence.

The first Cuban advisors entered Managua with the Sandinistas and took up positions in Somoza's bunker less than a week after he left it. As soon as the security apparatus was in place, Soviet bloc arms began to arrive to give the Nicaraguan Communists the capacity to repress their own people and to engage in unconventional warfare against their neighbors without risk of a conventional military response.

Chart II depicts the militarization of Nicaragua by this combination of Soviet bloc weapons and Cuban manpower. The total of Cuban advisors has stabilized at slightly lower levels since October 1983, when the U.S. action in Grenada led the Cubans to seek a lower profile in Nicaragua. Soviet arms shipments peaked in the fall of 1984 with the delivery of HIND attack helicopters at a time when the resistance had been cut off from U.S. government assistance. The reality is clear: Managua's military capabilities are closely tied to the Soviet Union and Cuba.

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Cuban military and police officers, in fact, have dene everything from helping with the establishment of political control structures in the armed forces and the state security apparatus to an active combat role with sophisticated Soviet weapons systems.

II. THE RISE OF THE RESISTANCE

When Daniel Ortega spoke in Havana on February 5 to the Congress of the Cuban Communist Party, he referred to "the blood of Cuban internationalists fallen on Nicaraguan soil." Ortega was talking about Cubans killed fighting Nicaraguans inside Nicaragua.

In this fact is a bitter truth: Nicaraguans who dissent must fight more than other Nicaraguans. And they must fight a sophisticated, heavily equipped, and pervasive security apparatus designed to deny power to all but the ruling Communist vanguard. One need look no further than the fate of Solidarity in Poland over the last few years to realize the difficulty of taking on such a formidable internal security apparatus.

Chart III demonstrates the growth of armed resistance in the face of the new Nicaraguan police state. The resistance responds to a long series of repressive acts, some of which are listed chronologically in the Chart. These go from the arrival of the Cubans and the establishment of the defense committees in the summer of 1979 to the start of censorship and the postponement of elections, the murder of opposition leader Jorge Salazar, and the burning of Indian villages in 1981. Catholic and Protestant church leaders were systematically attacked and the Pope was insulted. Forced conscription came next, followed by Ortega's visit to Moscow, stage-managed elections, and finally the suspension of civil rights in the fall of 1985.

By betraying their promises of pluralism, the Nicaraguan Communists have forced the citizens of Nicaragua to take up arms once again. Like Somoza, the Sandinistas don't seem to listen to anyone who isn't armed. And, like Somoza, they seek to blame outside forces for the resistance of their own people to their policies.

The Nicaraguan Communists like to say that covert U.S. support created the resistance; that their opponents are all agents of the CIA and of the heirs of Somoza. This is ridiculous. It was Sandinista repression that in 1979, 1980, and 1981 destroyed the coalition that overthrew Somoza and sparked the resistance. In 1979, 1980, and 1981, the United States was providing aid to the Government of Nicaragua, not to the resistance.

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From May of 1984 until Itae in 1985, the United States government provided no assistance to Nicaraguan resistance forces for well ever a year. As indicated in Chart III, the resistance grew by 50 percent, roughly from 10 to 15 thousand, during a period when there was no U.S. government assistance.

The Sandinistas, of course, would like to create the impression that there is no viable alternative to them. Like Somoza before them, they have driven many of their opponents into exile. But these opposition groups represent a variety of political and programmatic viewpoints. They are committed to presenting those viewpoints to the Nicaraguan people in a competitive democratic process, and would do so if given the opportunity.

Adolfo Calero, Arturo Cruz, and Alfonso Robelo lead the main resistance organization, the United Nicaraguan Opposition (UNO). All three actively opposed Somoza while he was still in power. Calero was jailed by Somoza; first Robelo then Cruz became Junta members with the Sandinistas until they could no longer accept betrayal of democractic principles and of Nicaraguan national interests.

The largest guerrilla forces belong to the Nicaraguan Democratic Force (FDN), headed by Calero since 1983. Other important resistance organizations include ARDE, built by Robelo and former Sandinista Comandante Eden Pastora, and MISURASATA and KISAN guerrillas active among the Indians of the Atlantic Coast.

Resistance fighters are overwhelmingly rural youths. Most are between 18 and 22 years old. They are fighting to defend their small plots of land, their churches, and in some cases their indigenous cultures. Some joined the resistance rather than be forced to fight for the Sandinistas against their friends and neighbors. In defending their families and communities, these young Nicaraguans are fighting for self-determination above all else.

The commanders are more likely to come from urban areas, and have more diverse occupations and backgrounds. They include both former National Guardsmen and former Sandinista fighters, but most are civilians from the very groups the Sandinistas claim to represent: peasants, small farmers, urban professionals, and students. One was a primary school teacher; another, an evangelical pastor.

Chart IV depicts the backgrounds of the 153 most senior military leaders of the FDN as of last November. The FDN has the largest number of former military professionals, but even there less than half the commanders have prior military experience. And notice a key fact that many have tried to

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hide: a full 20 per cent of the FDN leaders joined thes resistance after serving in the Sandinista army, militia, or security services.

The evidence irrefutably confirms that the Nicaraguan resistance is the product of a popular, pervasive, and democratic revolt.

III. DEMOCRACY AS THE HEMISPHERIC ANSWER

Throughout these six and a half years while Nicaragua was trading one dictatorship for another, the rest of the hemisphere was making an unprecedented and historic turn towards democracy.

Chart V illustrates the shift to democracy in Latin America and the Caribbean over the past ten years. The map on the left shows the politics of the region in 1976, while the one on the right shows the situation today.

Largely or entirely democratic and open societies are green. Dictatorships or military regimes are shown in light brown. Three countries not readily categorized as either democracies or dictatorships are colored gray.

Ten countries (Argentina, Bolivia, Brazil, Ecuador, El Salvador, Grenada, Guatemala, Honduras, Peru, and Uruguay) joined the democratic column in this last decade.

Since the fall of Duvalier in Haiti, Nicaragua is one of only five dictatorships or military regimes left in all of Latin America (the others being Chile, Cuba, Paraguay, and Suriname).

The question is sometimes asked whether any Latin American country supports our Nicaraguan policy. But isn't a better question whether any Latin American country (other than Cuba) supports Nicaragua's policy? Differences between the U.S. and our allies, to the extent they exist at all, are not over policy goals but over how to achieve them.

Nicaragua poses very complicated issues for Latin Americans, as it does for us. Latin Americans are properly concerned about the defense of sovereignty and the rejection of foreign intervention. History has focussed much of that rejection against past military interventions by the United States.

As Latin Americans, however, our neighbors also reject Cuban-Soviet intervention. And when Cuban pilots fly Soviet helicopters, it is not the United States that is injecting the

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East-West conflict into Central America. It is the Soviets and that is how it is perceived in Latin America.

So Nicaragua poses a problem on two levels. The Latin American dimension they feel that they can and must deal with themselves; the Soviet dimension they believe only we are strong enough to deal with, and they have repeatedly told us so. The Latin American Foreign Ministers told me when I met with them on February 10 that they agreed with us that Cuban-Soviet intervention in Nicaragua was unacceptable.

Of course, though nobody wants a second Cuba, most would oppose any direct U.S. military intervention in Nicaragua. But we are not making a case for direct U.S. military action. We are making a case for helping Nicaraguan democrats to help themselves. If our policy advances democracy, we will always have at least tacit support.

Latin American support -- indeed enthusiasm -- for democracy is evident. I would hope that by now ours is too.

IV. WHY PRESSURE IS NECESSARY

If democracy is our objective, why do we want to pressure Nicaragua? The answer is simple: We want a political solution. The Nicaraguan communists do not. They want a political solution only if they can violate it militarily. Pressure is the one way to bring them to the bargaining table ready to bargain. Power and diplomacy must go hand in hand.

A vote for military assistance to the democratic resistance will give Contadora a better chance to succeed, because it will give the Sandinistas an incentive to negotiate seriously -- something they have yet to do. They did not negotiate with the Carter Administration when the United States was Nicaragua's largest supplier of aid. And they did not negotiate seriously either with us or with their neighbors when the Congress suspended all aid to the resistance two years ago. On the contrary, in the fall of 1984, instead of bringing their political opponents back into the political process through competitive elections, the Sandinistas imported assault helicopters from the Soviet Union.

Military pressure is just as essential now to convince the Sandinistas to negotiate a political solution as it was critical in convincing them to agree to the Contadora process in the first place.

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The U.S. can now help the Contadora process by doing two things simultaneously:

First, the United States must support Contadora politically and diplomatically, so as to help keep the negotiating process alive for the day when the Sandinistas finally do negotiate. This support must include cooperating in the staff work needed to ensure verification of any agreement. After the Sandinistas' recommond in repudiating their commitments to the Organization of American States, who would trust an agreement that is not enforceable?

Second, the United States must support the Nicaraguan resistance, so as to sustain pressure on the Sandinistas to accept meaningful negotiations toward a workable Contadora agreement. Why would the Sandinistas negotiate if there were no armed resistance?

V. WHAT WE ARE ASKING

Carefully thought-out and implemented assistance to the Nicaraguan democratic resistance can make a difference. The President transmitted his proposal to you two days ago only after we had consulted widely with our friends in Central America and in the Contadora Group as well as with the members of this Committee and others in the Congress.

- -- \$100 million would be made available to the Nicaraguan democratic resistance by transfer from the FY 1986 Department of Defense Appropriations Act. Twenty-five percent would become available immediately, with an additional 15 percent released every 90 days through the end of September 1987, as reports are submitted to Congress.
- -- \$30 million of the total \$100 million package would be reserved for humanitarian assistance administered by the existing Nicaraguan Humanitarian Assistance Office (including \$3 million specifically earmarked for human rights programs and activities). The President would be free to use the remaining \$70 million for any kind of assistance he deems appropriate, using whatever agencies he desires, subject to normal procedures for Congressional oversight. If properly led and trained, the armed resistance will be able to minimize the suffering of Nicaraguan non-combatants during military operations. The United States expects that the armed resistance will follow a code of conduct on the battlefield that will protect non-combatants and prisoners.
- -- In the event of a peaceful resolution of the conflict in Central America, any remaining balance of the \$100 million could be used (through the end of FY 1987) for relief,

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I should note that the objectives reflected in these undertakings are not those of the United States alone. Each of them, including national reconciliation through dialogue with the armed opposition, are agreed objectives of the Contadora process. We are usking the Sandinistas to do no more than what they themselves have ostensibly agreed are the steps essential to a lasting peace in Central America.

VI. CONCLUSION

Either we are willing to act on a vital issue close to our shores at a critical moment when the world is watching or we are not. Either we help Nicaraguans to gain their freedom, or we do not. In Europe and in the Middle East, in Afghanistan and in Cambodia, in South America and in Southern Africa, our friends and our enemies will draw their own conclusions from what we decide.

The Sandinistas' record in dealing with Nicaraguans and other Central Americans makes clear that the resistance is the only constraint they recognize. As long as the Sandinistas are free to try to expand their revolution, the killing and misery will continue in Central America.

Only a democratic opening in Nicaragua can alter these dim prospects. And the resistance is the major element in the present equation that can help create that opening. Nicaraguans are disenchanted with the Sandinistas; more Nicaraguans are likely to join the resistance if they believe the U.S. will support the restoration of the revolution's original goals.

U.S. aid to the Nicaraguan resistance may intensify support for the Sandinistas among certain individuals who are already firmly in their camp, but we do not see the ranks of Sandinista supporters growing as a result of our backing of the resistance. On the contrary: our assistance will give heart to the vast majority of Nicaraguans who yearn for freedom.

Opposition to U.S. aid to the resistance is greatest outside Nicaragua, wherever people do not appreciate that the Sandinistas depend on violence as a political tool, or where they lack information about the extent of Sandinista abuses of human rights, or among those who do not realize that the true underdogs are the Nicaraguan people and their neighbors who are resisting violent minorities backed by massive military aid from Cuba and the Soviet bloc. Reactions among former Sandinista sympathizers suggest that the reality of the new tyranny in Nicaragua is increasingly widely understood in Europe as well as Latin America and the United States.

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The bottom line is this: absent a credible challenge to their militarized control of Nicaragua, the Sandinistas have no incentive to negotiate a lasting political solution to the conflict in Central America. The resistance can provide such a challenge - if we help. Without military aid to the resistance, the Sandinistas will simply monopolize power and continue to destabilize their neighbors. If the Central American house remains divided against itself, prospects for democracy would ultimately be doomed in the region as a whole as well as Nicaragua.

The U.S. has both moral and strategic interests in the consolidation of democracy in this hemisphere. To the extent that we support Latin Americans who are struggling for objectives similar to ours, we reduce the likelihood of having to intervene to protect our interests and defend our allies. If the armed resistance and internal opposition are not supported so as to prevent further consolidation by the Sandinistas, we could ultimately confront choices even more difficult than this one.

Under the expedited procedures that Congress has provided, the President is entitled to a vote on his request. A positive vote is essential to protect our strategic interests, preserve opportunities for diplomacy, and assure that the progress made in recent years in El Salvador, Honduras and Guatemala will not be reversed, and that Costa Rica will maintain its democracy.

There are many uncertainties ahead in Nicaragua. We are fully aware of them. But we are also aware that there were many uncertainties in El Salvador, in Central America generally, and most recently in Haiti and the Philippines. We were right in El Salvador. Castro, and the Soviets, and the Libyans and the Nicaraguan Communists have clearly made their choice. Now it is up to us to make ours.

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